

2011-12 PERFORMANCE MEASURE WEIGHTING SUMMARY - CIO& COIO

			CIO	COIO
	PERFORMANCE MEASURE	SCHEDULE in Basis Points	Dear	Guilliot
QUANTITATIVE	Total Fund Performance	-13 / +13 / 27	70%	40%
QUALITATIVE	Executive Leadership	From Schedule	20%	0%
	Enterprise-Wide Initiatives & Collaboration	From Schedule	10%	5%
	Organizational Systems, Processes & Controls	From Schedule	0%	25%
	Investment Office Leadership & Management	From Schedule	0%	15%
	Affiliate Investment Program Performance	0 / 10 / 15	0%	10%
	Operational Excellence - Straight-Through Processing (STP)	0 / 10 / 15	0%	5%
		TOTALS:	100%	100%

Qualitative Performance Measure Rating Scale Measurement for all Qualitative performance measures with a notation of "From Schedule"	
Rating	Incentive Schedule Value (Multiplier):
Significantly Exceeds Standards	1.50
Exceeds Standards	1.25
Meets Standards	1.00
Meets Some, Not All Standards	0.50
Does Not Meet Standards	0

2011-12 PERFORMANCE MEASURE WEIGHTING SUMMARY - ALTERNATIVE ASSET MANAGEMENT (AIM)

			SIO	SPM	PM	PM	PM	PM	PM
	PERFORMANCE MEASURE	SCHEDULE in Basis Points	Vacant	Corr	Arguelles	Baker	Greenwood	Jacobsen	Knueven
Quantitative	Total Fund Performance	-13 / +13 / 27		20%	10%	10%	10%	10%	10%
	AIM Performance	0 / 50 / 75		55%	60%	60%	60%	60%	60%
Qualitative	Leadership	From Schedule		10%	10%	10%	10%	10%	10%
	AIM Roadmap Priorities	From Schedule		15%	20%	20%	20%	20%	20%
	TOTALS:		0%	100%	100%	100%	100%	100%	100%

**2011-12 PERFORMANCE MEASURE WEIGHTING SUMMARY:
AFFILIATE INVESTMENT PROGRAMS & OPERATIONS, PERFORMANCE & TECHNOLOGY**

			COIO	PM	PM
	PERFORMANCE MEASURE	SCHEDULE in Basis Points	Guilliot	Jimenez	Flynn
QUANTITATIVE	Total Fund Performance	-13 / +13 / 27	40%	10%	10%
	457 Plan Gross of Fees Aggregate Return	0 / 10 / 15		20%	
	Total Legislators' Retirement System Fund Performance	0 / 10 / 15		5%	
	Total Judges' Retirement System Fund Performance	0 / 10 / 15		5%	
	Total California Employers' Retiree Benefit Trust Fund Performance	0 / 10 / 15		5%	
	Total Long-Term Care Fund Performance	0 / 10 / 15		5%	
QUALITATIVE	Leadership	From Schedule	10%	10%	10%
	Enterprise-Wide Initiatives & Collaboration	From Schedule	5%	0%	0%
	Organizational Systems, Processes & Controls	From Schedule	25%		
	Investment Office Leadership & Management	From Schedule	15%		
	Strategic Initiatives	From Schedule		10%	
	Fund Structure	From Schedule		10%	
	Fund Review	From Schedule		15%	
	Program Management	From Schedule		5%	
	Operational Excellence - Straight Through Processing (STP)	90% / 93% / 95%	5%	0%	15%
	Service Provider Management Program	From Schedule		0%	15%
	Quarterly Performance Report (QPR) for Real Assets	From Schedule			10%
	Real Assets Appraisal Management	From Schedule			10%
	Private Equity Valuation	From Schedule		0%	15%
	Public Markets Portfolio Management System (PM2)	From Schedule		0%	15%
	TOTALS:		100%	100%	100%

2011-12 PERFORMANCE MEASURE WEIGHTING SUMMARY - ASSET ALLOCATION / RISK MANAGEMENT

			SIO	SPM	PM
	PERFORMANCE MEASURE	SCHEDULE in Basis Points	Majeed	Roth	Johnson
QUANTITATIVE	Total Fund Performance	-13 / +13 / 27	40%	30%	20%
QUALITATIVE	Active Asset Allocation Performance	-13 / +7 / 17	20%	20%	20%
	Leadership	From Schedule	10%	10%	10%
	Risk Management	From Schedule	12.5%	25%	0%
	Capital Allocation	From Schedule	12.5%	10%	35%
	Investment Strategy Group	From Schedule	5%	5%	5%
	New Research Strategies	From Schedule	0%	0%	10%
	TOTALS:		100%	100%	100%

2011-12 PERFORMANCE MEASURE WEIGHTING SUMMARY - FIXED INCOME

				SIO	SPM			PM								
		PERFORMANCE MEASURE	SCHEDULE in Basis Points	Ishii	McDonagh	Winter	Phillips	Claybar	Kourkoulakos	Rosborough	Smith	Busay	Zahorak	Meng	Kiefer	Hsu
QUANTITATIVE		Total Fund Performance	-13 / +13 / 27	40%	20%	20%	20%	10%	10%	10%	10%	10%	10%	10%	10%	10%
		Total Global Fixed Income	0 / 27 / 40	45%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%
		Total Corporate Credit Portfolio	0 / 27 / 40	0%	0%	40%	0%	20%	50%	0%	50%	0%	50%	50%	0%	0%
		Internally Managed Mortgages	0 / 27 / 40	0%	0%	0%	35%	0%	0%	0%	0%	0%	0%	0%	0%	10%
		CalPERS Internal US Govt's	0 / 20 / 30	0%	30%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
		Asset Based Lending	0 / 27 / 40	0%	0%	0%	0%	30%	0%	0%	0%	0%	0%	0%	0%	0%
		Sovereign Credit Portfolio	0 / 27 / 40	0%	0%	0%	0%	0%	0%	40%	0%	0%	0%	0%	0%	0%
		Securities Lending Program	100% / 110% / 115%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	30%	0%
		Credit Enhancement Program	0% / 6.67% / 10%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	10%	0%
		Active Currency Overlay (Transaction Adjusted)	0 / 23 / 35	0%	0%	0%	0%	0%	0%	0%	0%	15%	0%	0%	0%	0%
		Active International FI Managers	0 / 27 / 40	0%	0%	0%	0%	0%	0%	0%	0%	15%	0%	0%	0%	0%
	OTHER INTERNALLY MANAGED FIXED INCOME FUNDS	High Quality LIBOR Fund	0 / 3 / 5	0%	0%	0%	2%	0%	0%	0%	0%	0%	0%	0%	0%	12%
		Short Duration Fund	0 / 23 / 35	0%	0%	0%	1%	0%	0%	0%	0%	0%	0%	0%	0%	20%
		Internally Managed Short Term	0 / 10 / 15	0%	0%	0%	1%	0%	0%	0%	0%	0%	0%	0%	0%	5%
		Sec Lending Int'l & Ext'l Liquidity	0 / 5 / 7	1%	0%	0%	1%	0%	0%	0%	0%	0%	0%	0%	5%	3%
		ILAC Commodities	0 / 27 / 40	1%	2%	0%	0%	0%	0%	0%	0%	5%	0%	0%	0%	0%
		Passive Currency Overlay	-10 / 0 / 5	1%	0%	0%	0%	0%	0%	0%	0%	15%	0%	0%	0%	0%
		Active Currency Overlay (Transition Adjusted)	0 / 5 / 7	0%	2%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
		CalPERS UST 2-10	0 / 5 / 7	1%	4%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
		CalPERS Inflation-Linked Bonds	0 / 6 / 9	1%	2%	0%	0%	0%	0%	10%	0%	0%	0%	0%	0%	0%
QUAL		Leadership	From Schedule	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%
		Global FI Program Development	From Schedule	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	5%	0%
		TOTALS:		100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

2011-12 PERFORMANCE MEASURE WEIGHTING SUMMARY - GLOBAL EQUITY

			SIO	SPM			PM								
	PERFORMANCE MEASURE	SCHEDULE in Basis Points	Baggesen	Bienvenue	Silberstein	Simpson	Carden	Dandurand	Misik	Riffle	McGrew	Hayamizu	Pontes	Guidi	Ho
QUANTITATIVE	Total Fund Performance	-13 / +13 / 27	40%	20%	20%	20%	10%	10%	10%	10%	10%	10%	10%	10%	10%
	Total Global Equity Performance	-8 / +7 / 18	35%	30%	30%	30%	25%	25%	25%	25%	25%	25%	25%	25%	25%
	Custom Composite	0 / 10 / 15	0%	25%	0%	0%	0%	0%	40%	0%	0%	0%	0%	0%	0%
	Custom Composite	0 / 23 / 35	0%	0%	25%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
	Custom Composite	0 / 11 / 17	0%	0%	0%	0%	40%	0%	0%	0%	0%	0%	0%	0%	40%
	Custom Composite	0 / 23 / 34	0%	0%	0%	0%	0%	40%	0%	0%	0%	0%	0%	0%	0%
	Custom Composite	0 / 25 / 38	0%	0%	0%	0%	0%	0%	0%	40%	0%	0%	0%	0%	0%
	Custom Composite	0 / 23 / 34	0%	0%	0%	0%	0%	0%	0%	0%	0%	40%	0%	0%	0%
	Custom Composite	-1 SD / Expected Value / +1/2 SD	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	40%	0%	0%
	Custom Composite	0 / 10 / 15	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	40%	0%
QUALITATIVE	Corporate Adoption of Majority Voting Standards	>25% = 0; >55% = 1.5	0%	0%	0%	5%	0%	0%	0%	0%	5%	0%	0%	0%	0%
	Support for CalPERS Shareowner Proposals	>25% = 0; >55% = 1.5	0%	0%	0%	5%	0%	0%	0%	0%	5%	0%	0%	0%	0%
	Leadership	From Schedule	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%
	Global Equity Performance Priorities	From Schedule	15%	15%	15%	10%	15%	15%	15%	15%	10%	15%	15%	15%	15%
	Investment, Environmental, Social Governance (IESG)	From Schedule	0%	0%	0%	10%	0%	0%	0%	0%	10%	0%	0%	0%	0%
	Market Reform	From Schedule	0%	0%	0%	10%	0%	0%	0%	0%	10%	0%	0%	0%	0%
	Legislative and Response	From Schedule	0%	0%	0%	10%	0%	0%	0%	0%	15%	0%	0%	0%	0%
	TOTALS:		100%	100%	100%	110%	100%	100%	100%	100%	100%	100%	100%	100%	100%

2011-12 PERFORMANCE MEASURE WEIGHTING SUMMARY - REAL ASSETS

			SIO	SPM		PM								
	PERFORMANCE MEASURE	SCHEDULE in Basis Points	Eliopoulos	Mullan	Pottle	Alexander	Delfendahl	Eberhardt	Gogan	Hurley	Langhi	Lapenna	Weir	Yokan
QUANTITATIVE	Total Fund Performance	-13 / +13 / 27	40%	20%	20%	10%	10%	10%	10%	10%	10%	10%	10%	10%
	Real Assets Performance	0 / 30 / 45	15%	10%	15%	10%	15%	15%	10%	15%	10%	10%	15%	10%
	Infrastructure Program	0 / 30 / 45	0%	40%	0%	10%	0%	0%	10%	0%	10%	55%	0%	55%
	Structure Strategic Portfolio Agreements	3 / 5 / 7	10%	0%	10%	0%	5%	5%	5%	5%	5%	0%	5%	0%
	Strategic Portfolio Growth	\$0B / \$1B / \$2B	10%	0%	10%	0%	10%	10%	10%	10%	10%	0%	10%	0%
	Forestland Program Performance	0 / 30 / 45	0%	5%	0%	45%	0%	0%	5%	0%	5%	0%	0%	0%
	Real Estate Strategic Performance	0 / 30 / 45	0%	0%	10%	0%	15%	15%	10%	15%	10%	0%	15%	0%
	Real Estate Legacy Portfolio	0 / 30 / 45	0%	0%	10%	0%	10%	0%	5%	10%	5%	0%	10%	0%
QUALITATIVE	Leadership	From Schedule	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%
	Real Estate Priorities	From Schedule	15%	0%	15%	0%	25%	25%	25%	25%	25%	0%	25%	0%
	Real Assets Priorities	From Schedule	0%	15%	0%	0%	0%	0%	0%	0%	0%	15%	0%	0%
	Asset Class Priorities	From Schedule	0%	0%	0%	15%	0%	0%	0%	0%	0%	0%	0%	15%
	TOTALS:		100%	100%	100%	100%	100%	90%	100%	100%	100%	100%	100%	100%